GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:4626
ANSWERED ON:19.12.2000
ACQUISITION OF PLOTS
ASHOK NAMDEORAO MOHOL

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Indian Petrochemicals Corporation Limited (IPCL) have taken two plots of land in Varsova area of Bombay in a public auction from Maharashtra Housing and Area Development Authority (MHADA);

(b) if so, whether the payment for those plots have been made in full to MHADA;

(c) if not, the reasons therefor;

(d) whether construction work has been executed on the said plots;

(e) if not, the reasons therefor; and

(f) the estimated loss being suffered by IPCL as a result thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE)

(a): Yes, Sir.

(b): Yes, Sir.

(c): Does not arise.

(d): No, Sir.

(e): After taking possession of the land, IPCL had approached Maharashtra Housing and Area Development Authority (MHADA) for obtaining draft of lease deed/agreement so that construction could be undertaken. After close follow up, the said lease deed/agreement was finalised and furnished to IPCL by MHADA in March 1997 only. Due to change in the business and market scenario, IPCL had to review its plan and non-plan expenditure and decisions requiring sizeable amount of investment. As a result, construction activity could not be started. In the meanwhile, Government of India had taken a decision to disinvest in IPCL. Therefore, all proposals involving large capital expenditure were again reviewed, and construction was not started.

(f): Since the value of real estate constantly appreciates in a city like Mumbai, no financial loss is anticipated on account of blockage of money in acquiring these plots.